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March 30, 1998

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

VIA HAND DELIVERY

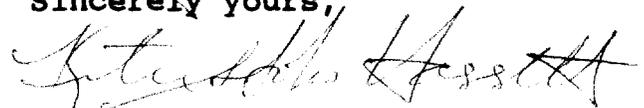
Re: CC Docket No. 92-250
Reference No. CCB/CPD 98-12 -- Reply Comments
of IXC Long Distance, Inc.

Dear Ms. Salas:

On behalf of IXC Long Distance, Inc. ("IXCLD"), enclosed please find an original and four (4) copies of IXCLD's Reply Comments in the above-referenced matter. A diskette with IXCLD's Reply Comments in Wordperfect 5.1 is also enclosed. A copy of IXCLD's Reply Comments is being provided to the Chief, Competitive Pricing Division of the Common Carrier Bureau and to International Transcription Services, Inc. ("ITS").

Should you have any questions, please do not hesitate to contact me.

Sincerely yours,



Kristie S. Hassett

Enclosures

cc: Service List -- 1 copy via U.S. Mail
Chief, Competitive Pricing Division -- 1 copy, via Hand
Delivery
ITS -- 1 copy via Hand Delivery

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

MAR 30 1998

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
MCI Telecommunications Corporation))
)
Petition for the Prescription of)
Tariffs Implementing Access)
Charge Reform)

CC Docket No. 97-250
Reference No. CCB/CPD 98-12

REPLY COMMENTS OF IXC LONG DISTANCE, INC.

IXC Long Distance, Inc. ("IXCLD") is a non-dominant interexchange long distance service provider. IXCLD currently provides service in the 48 contiguous continental United States as well as internationally. IXCLD also acts as an underlying carrier for a large number of resale carriers. IXCLD submits these reply comments in support of the above-captioned petition that MCI Telecommunications Corporation ("MCI") filed on February 24, 1998 (the "MCI Petition").

I. Local Exchange Carriers Should Be Responsible for Collection of the PICC

IXCLD strongly supports the comments and positions advocated in this proceeding by MCI, the Competitive Telecommunications Association ("CompTel"), Telecommunications Resellers Association ("TRA"), and WorldCom. Like MCI, WorldCom, and the member companies of CompTel and TRA, IXCLD must deal daily with the myriad of problems associated with the development of local competition and access charge reform. Contrary to the comments

of the United States Telephone Association ("USTA") and the local exchange carriers ("LECs"), all is not well, as clearly illustrated by the problems interexchange carriers are experiencing with the PICC.

The difficulties that IXCLD and other interexchange carriers face are considerable. Each price cap LEC has a different approach to PICC billing, and none of the methods are customer friendly. LEC procedures do not allow for the accurate and timely verification of access bills -- particularly with respect to the PICC. Given the magnitude of the PICC, it is absolutely critical that interexchange carriers be afforded the opportunity to audit and verify the extremely large bills that are now being sent by the incumbent LECs. Incumbent LECs, however, are not providing timely, accurate and useable data that underlying carriers need to verify and pass billing on to resellers. One RBOC even goes so far as to send its large bill for the PICC, and only afterwards sends the supporting detail necessary for auditing it. Thus, MCI's requested relief should be granted, and the incumbent LECs should be responsible for collection of the PICC until they are able to provide all necessary information to the interexchange carriers in advance of their billings.¹

USTA objects that incumbent LECs should not be required to collect PICCs from end users, because PICCs represent "the

¹ Further, IXCLD believes that it is inappropriate in any event to require interexchange carriers to collect and pay the PICC to the incumbent LECs, which already are or soon will be their direct competitors in the long distance market.

costs of providing the IXC with access to the incumbent LEC networks." (USTA p. 16) According to the USTA, it therefore "makes no sense" for incumbent LECs to collect PICCs from end users, since interexchange carriers have the "choice" of whether to pass through such costs to their customers. (Id.) This argument is entirely disingenuous. The PICC is a significant business cost, and not one to be taken lightly. In fact, the incumbent LEC may recover the PICC directly from any end user that does not select a presubscribed carrier. (Access Reform First Report and Order, 12 FCC Rcd. 15982, ¶ 92) Thus, incumbent LECs, too, have a "choice" about passing through such costs, but can there be any doubt that they will do so? After all, the end-user is the ultimate cost causer.

II. If Interexchange Carriers Are Responsible for Collecting the PICC for the LECs, A New Field for Customer Information Should Be Added to the Customer Account Records Exchange

IXCLD also wishes to comment on Sprint's suggestion that a new field be created in the Customer Account Records Exchange ("CARE") to provide current customer information. If the Commission continues to require the competing long distance providers to collect the PICC, the proposed new CARE field would provide a source of better information and allow for better real time billing to end users. One of the problems with the current system, or its lack of standardization, is that by the time the reseller gets the PICC bill, it is not unlikely that some of the reseller's customers will have already changed to other carriers,

and the reseller will have to write-off the PICC as uncollectible.

Another potential for modifying the CARE record would be to specify the preselected carrier -- the reseller that currently has the business relationship with the customer. The incumbent LEC could then bill the reseller directly, saving time and expense, and potentially allowing the reseller to avoid uncollectible expenses. Moreover, adding this data to the CARE record would have the added benefit of identifying and directing slamming complaints to the proper carrier.

III. Conclusion

In conclusion, IXCLD respectfully requests that the Commission grant the relief requested in MCI's petition. Alternatively, if interexchange carriers are to be responsible for collection of the PICC, a new field should be created in the Customer Account Records Exchange to provide current customer information.

Respectfully submitted,



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Dated: March 30, 1998

CERTIFICATE OF SERVICE

I hereby certify that on March 30, 1998 a copy of the foregoing Reply Comments of IXC Long Distance, Inc. was served by first-class mail, postage pre-paid, to the parties listed on the attached service list for CC Docket No. 97-250; Reference No. CCB/CPD 98-12.


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